

DRAFT

Statement of Governor Haley Barbour

December 10, 2008

At a time of national recession, at a time when job losses and cutbacks are being announced on our Gulf Coast, it is disappointing that a partisan group of special interests would attempt to kill such an essential project as restoration of the Port of Gulfport.

In my opinion the groups are putting their own selfish interests ahead of the much broader and necessary community interest in helping families of the Gulf Coast recover from the worst natural disaster in American history, Hurricane Katrina.

The use of the HUD block grant money was approved by Congress in 2005 when the state was authorized some \$5.4 billion in Katrina recovery funds. HUD approved the use of funding for the port under the existing congressional authorization. The HUD grant money has also been used to rebuild the utility infrastructure on the Coast in addition to being used for

grants to homeowners, and more than 26,000 grants and \$1.86 billion have already been approved to help families rebuild.

Many of these same special interests groups have had a seat at the table as a variety of affordable housing programs have been developed. These programs will result in more affordable housing units than existed on the Gulf Coast before August 29, 2005, the day Katrina struck. Ultimately, Mississippi will have spent nearly \$4 billion of the original \$5.4 billion authorization on housing programs.

There are many needs in post-Katrina Mississippi.

The rebuild at the Port of Gulfport is anticipated to create 4,900 maritime jobs within five years and 5,400 maritime jobs within 10 years. The project will generate annual maritime business service revenue of \$207 million within five years and \$229 million within 10 years. The annual payroll generated by the rebuild is expected to be \$147 million within five years and \$162 million within 10 years.

This is much more than a mathematical calculation of this project's benefits. This represents the future of our Gulf Coast and whether it will ever recover from the worst natural disaster in American history. The port is vital to the Gulf Coast and the restoration project is key to recovery because of the good jobs and lasting economic impact.

The Port project is also the ideal kind of public works infrastructure stimulus project that President-elect Obama mentioned at his recent meeting with governors. It will create construction and permanent jobs, and be a great boost to economic recovery.

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